

NOVA SCOTIA SAVINGS  
& LOAN COMPANY

117<sup>th</sup>  
*annual report*

FOR THE FISCAL YEAR ENDED DECEMBER 31ST

1966





## BOARD OF DIRECTORS

Walter deW. Barss, Q.C.—President

George C. Piercey, Q.C.—Vice-President

Donald McInnes, Q.C., LL.D., D.C.L.

Eric McN. Grant

A. Russell Harrington, P.Eng.

Samuel S. Jacobson, B.Com., M.B.A.

## EXECUTIVE

G. Ross Guy, M.C.—General Manager and Secretary-  
Treasurer

W. Bruce Graham—Assistant Manager

W. L. Flinn—Chief Inspector

N. N. Graham, R.I.A.—Chief Accountant

Miss P. E. Helms—Assistant Secretary

K. L. Mallory—Mortgage Officer

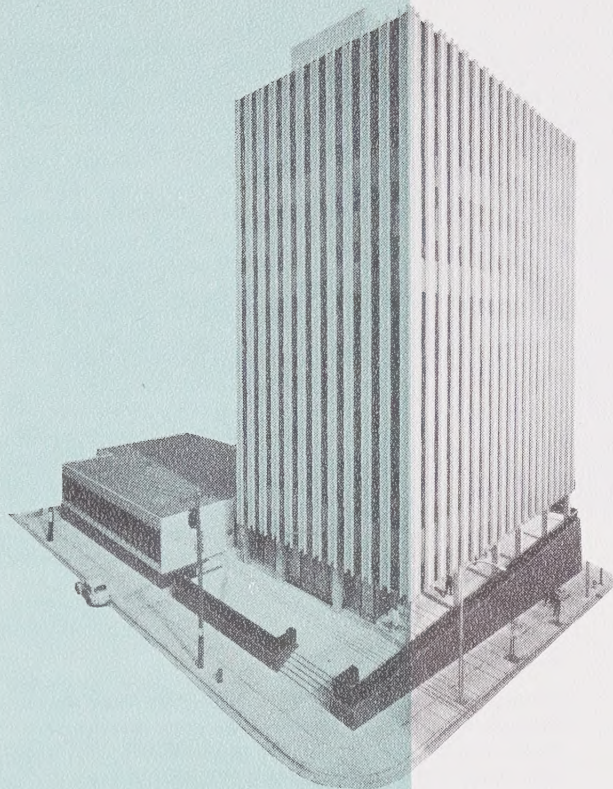
H. W. Jones—Branch Manager, Dartmouth

C. M. G. Blois—Branch Manager, Saint John

**BANKERS**—The Bank of Nova Scotia  
The Royal Bank of Canada

**SOLICITORS**—Blois, Nickerson & Bryson





## DIRECTORS' REPORT

### TO THE SHAREHOLDERS—

Your Directors take pleasure in presenting the 117th Annual Report of the Company. The assets of the Company now stand at \$43,887,840 a 13.08% increase over 1965 and the highest the Company has ever achieved.

#### Earnings

The net profit for the year increased by 12.6% over the previous year.

The earnings per share in 1965 were \$2.60 and for the year under review, 1966, \$2.93.

When we bear in mind the limited supply of money which prevailed during the latter part of the year and the high cost of money in recent months, we feel these results are most satisfactory. In addition certain non-recurring expenses were charged to the year's operations. These items were expected and evolved from the opening of our new office in Halifax and Branch Office in Dartmouth.

#### Shareholders—Dividends

During the year dividends totalling \$211,769 were paid. This represented quarterly dividends of 25¢ per share and an extra dividend of 25¢ which was paid on March 1st, 1966.

There was a slight increase in the number of Shareholders.

#### Revenue—Undivided Profits

The income for the year amounted to \$3,049,931. This marks a further milestone in our operations as this is the first year the income surpassed \$3,000,000. The increase over the previous year was 18.5% or \$477,195. The net profit before tax was \$691,339.

Upon disposing of our former office premises, a net capital gain of \$46,248 was realized and credited to undivided profits. A further \$3,000 was transferred to undivided profits upon writing down the Provision for Pensions. After bringing forward the retained earnings



from 1965, in the amount of \$247,800, there was \$988,387 available for distribution before income taxes. The following transfers have been made: Income Tax—\$195,500, Dividends—\$211,769, Rest Account—\$71,353, Reserve for Mortgages—\$208,000 and Retained Earnings—\$301,765.

### Reserves

The Provision for Pensions was written down and now appears in the Balance Sheet at \$67,000. This liability has been set up on an actuarial basis and will be written down annually. The Reserve for Mortgages now stands at \$848,000 which is the maximum allowed in relation to the mortgages outstanding. The Rest Account is now \$1,500,-

000. The increase of \$100,000 was achieved by the transfer of \$71,353 and the utilization of \$28,647 which appeared in last year's Report as Contributed Surplus.

### Investments

The investment portfolio remains unchanged from the previous year. While a small block of bonds matured, these were replaced by a similar class of government bonds. All bonds held in our portfolio are accepted by the Federal Government for liquidity purposes.

### Debentures and Savings

The debentures of the Company continue to be attractive to the public as will be evidenced by the increase in this account of approximately \$5,212,000. The savings department had an active year with many new accounts being opened. However, as the year progressed and interest rates increased generally, many depositors took advantage of the attractive yield on our debentures. Therefore the saving accounts are down from the previous year. Nevertheless there was a 13.67% net increase in growth in the two departments.

### Mortgages

Although the financial conditions during the latter part of the year did not allow this department to expand as projected, we are able to report a \$5,125,241 or 13.9% increase in business.

A limited number of foreclosures were commenced during the year, and a small increase will be noted in the Real Estate Held for Sale Account.

### Directors

It is with regret that we report the passing of Mr. Walter Mitchell. Mr. Mitchell was President of the Company for eleven years and a member of the Board for thirty-eight years. It was during his Presidency that the reorganization of the Society into a Company with Federal Charter was effected. For the many years he was connected with the



Shown here is a view of the Board Room in our new offices.



Inside view of our general  
office in Halifax, N. S.



Company, he showed great interest in details and wisdom in matter of policy.

### Staff

Your Company has completed another year of progress which is due in no small way to the great interest and effort made by the Management and Staff. To all who have been associated with the operation of the Company we extend our appreciation.

### General

Many compliments have been received with regard to the facilities which we have provided to serve the public. In October we opened our Branch Office in Dartmouth, Nova Scotia. It is of interest to note that several of the original Directors resided in Dartmouth when the Company was established in 1850. More than 10% of the present Shareholders reside in the general area of Dartmouth.

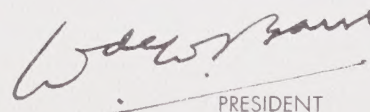
The Examiners representing the Superintendent of Insurance, Ottawa, carried out their examination during the year as has been the case for many years.

The liquidity position of the Company in respect to our depositors is well in excess of the limit set down by the Federal Government. The debentures issued are well within the authorized limit.

The Company has been held in high regard by the public for more than a century, and this is exemplified by the strong demand for our various forms of investment.

At the time of writing it would appear the cost of money is dropping and the supply is showing some improvement. These factors are encouraging to your Board as we face the 118th year of our operations.

The growth of the Company depends in no small way upon the support of the Shareholders. We solicit your continued interest in the Company and welcome any suggestions which could improve the services available to the public.

  
PRESIDENT

# BALANCE SHEET

NOVA SCOTIA SAVINGS & LOAN COMPANY - - DECEMBER 31st, 1966 (WITH COMPARATIVE 1965)

ASSETS	1966	1965
First Mortgages on improved real estate and agreements of sale.....	\$41,815,657	\$36,690,416
Office premises, less depreciation.....	—	19,150
Equipment and furnishings, less depreciation....	49,314	15,603
Leasehold improvements, less amortization .....	41,829	—
Real estate held for sale.....	7,601	7,068
Sundry .....	11,408	4,555
Investments:		
Municipal bonds and accrued interest.....	625,345	602,997
Provinces of Canada and Provincial guaranteed bonds and accrued interest	393,914	420,112
Government of Canada and Government guaranteed bonds and accrued interest	205,004	205,004
Bank and public utility stocks.....	<u>229,776</u>	<u>225,766</u>
Total Investments	\$ 1,454,039	<del>\$ 1,453,879</del>
(The investments in bonds and stocks are carried at values, which in the aggregate, are not in excess of quoted market values.)		
Cash on hand and in banks.....	<u>\$ 507,992</u>	<u>\$ 619,979</u>
Total Assets	<u><u>\$43,887,840</u></u>	<u><u>\$38,810,650</u></u>

The undersigned officials of the Nova Scotia Savings & Loan Company hereby certify that they have examined the financial condition of the affairs of the Company.

*W. J. [Signature]*

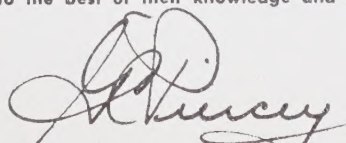
President

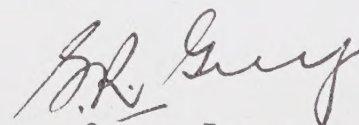


RES FOR 1965)

LIABILITIES	1966	1965
Debentures and accrued interest.....	\$34,458,568	\$29,246,261
Savings deposits .....	4,936,428	5,409,872
Amounts held for insurance and tax payments on mortgaged properties.....	17,881	31,566
Dividends payable .....	42,354	42,354
Income Taxes payable .....	21,694	—
Provision for pensions .....	67,000	70,000
<b>Total Liabilities</b>	<b><u>\$39,543,925</u></b>	<b><u>\$34,800,053</u></b>
Shareholders' Equity:		
Capital: Authorized 500,000 shares par value \$10.00 each.		
Issued and fully paid 169,415 shares	\$ 1,694,150	\$ 1,694,150
Contributed surplus .....	—	28,647
Rest Account .....	1,500,000	1,400,000
Reserve for mortgages .....	848,000	640,000
Undivided profits .....	301,765	247,800
<b>Total Shareholders' Equity</b>	<b><u>\$ 4,343,915</u></b>	<b><u>\$ 4,010,597</u></b>
<b>Total Liabilities and Shareholders' Equity</b>	<b><u><u>\$43,887,840</u></u></b>	<b><u><u>\$38,810,650</u></u></b>

statement of the Company and that, to the best of their knowledge and belief, the statement is correct and shows truly and clearly the

  
Vice-President

  
Secretary-Treasurer

## AUDITORS' REPORT

We have examined the balance sheet of the Nova Scotia Savings & Loan Company as of December 31, 1966, and the statement of revenue and expenditure and undivided profits for the year ended on that date. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet and statement of revenue and expenditure and undivided profits present fairly the financial position of the company at December 31, 1966, and the results of its operations for the year ended on that date.

PEAT, MARWICK, MITCHELL & CO.

Chartered Accountants

Halifax, N. S.,  
January 27, 1967.



● Fredericton

## CONTACT AGENCIES

Fredericton:

### NEW BRUNSWICK

COCHRANE & STEVENSON  
HAZEN E. ALLEN, C.I.U.

Moncton:

STEWART & STRATTON

Saint John:

McKELVEY, MACAULAY, MACHUM &  
FAIRWEATHER

### NEWFOUNDLAND

St. John's:

T. ALEX HICKMAN, Q.C.

● Sydney

● Saint John

● Moncton

● New Glasgow

● Port Hawkesbury

● Truro

● Wolfville

● Kentville

● Hantsport

● Middleton

● Windsor

● Bridgetown

● Chester

● Dartmouth

● Bridgewater

● Lunenburg

● Liverpool

● Yarmouth

Sydney:

McINTYRE, GILLIS & FERGUSON  
KHATTAR REALTIES LIMITED  
PATTERSON, SMITH, MATTHEWS  
& GRANT

Truro:

STEPHENS-KEDDY LIMITED

Windsor:

N. D. BLANCHARD, Q.C.

Wolfville:

HENRY W. HOW, Q.C.

Yarmouth:

L. G. TRASK

Bridgetown:

ORLANDO & HICKS

Bridgewater:

F. E. L. FOWKE, Q.C.

Chester:

M. E. BARKHOUSE

### NOVA SCOTIA

Dartmouth:

BARSS, HATFIELD & HARE

Hantsport:

DONALD G. BURGHER

Kentville:

RALPH L. MACDONALD  
WATERBURY, UNSWORTH & LEBRUN  
LESTER L. CLEMENTS, LL.B.

Liverpool:

Lunenburg &

Bridgewater:

JOHN E. MARCUS

Middleton:

CROWELL & DURLAND  
DUNCAN D. R. ROBINSON

New Glasgow:

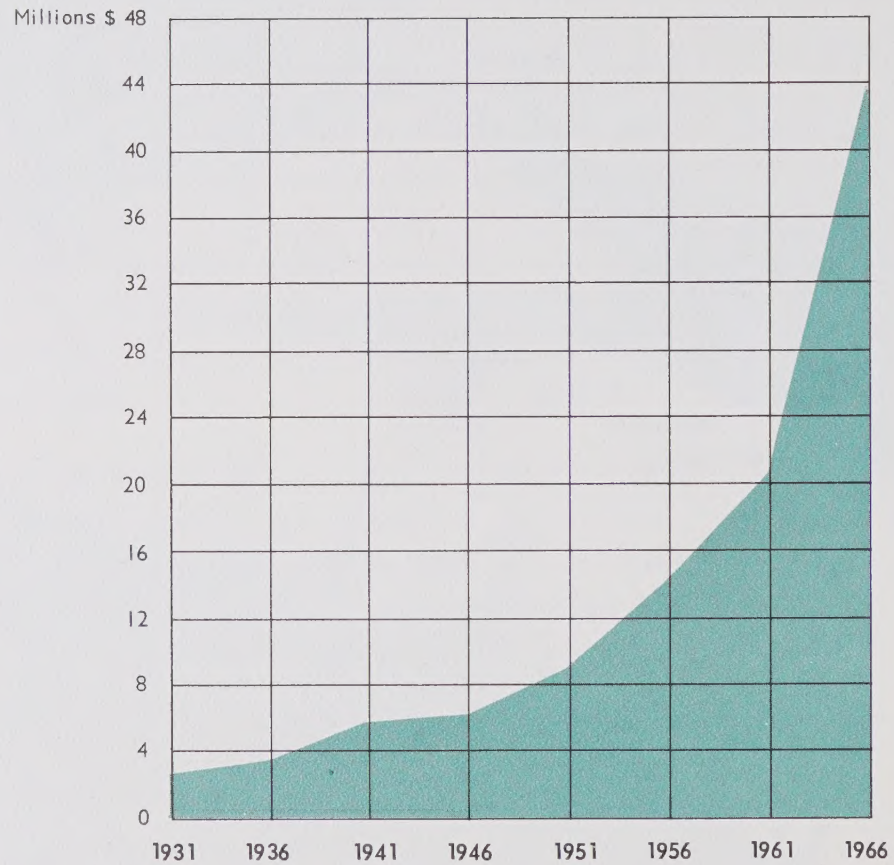
FRASER & HOYT LIMITED

Port Hawkesbury:

THOMAS A. WILLIAMS, Q.C.



## ASSETS

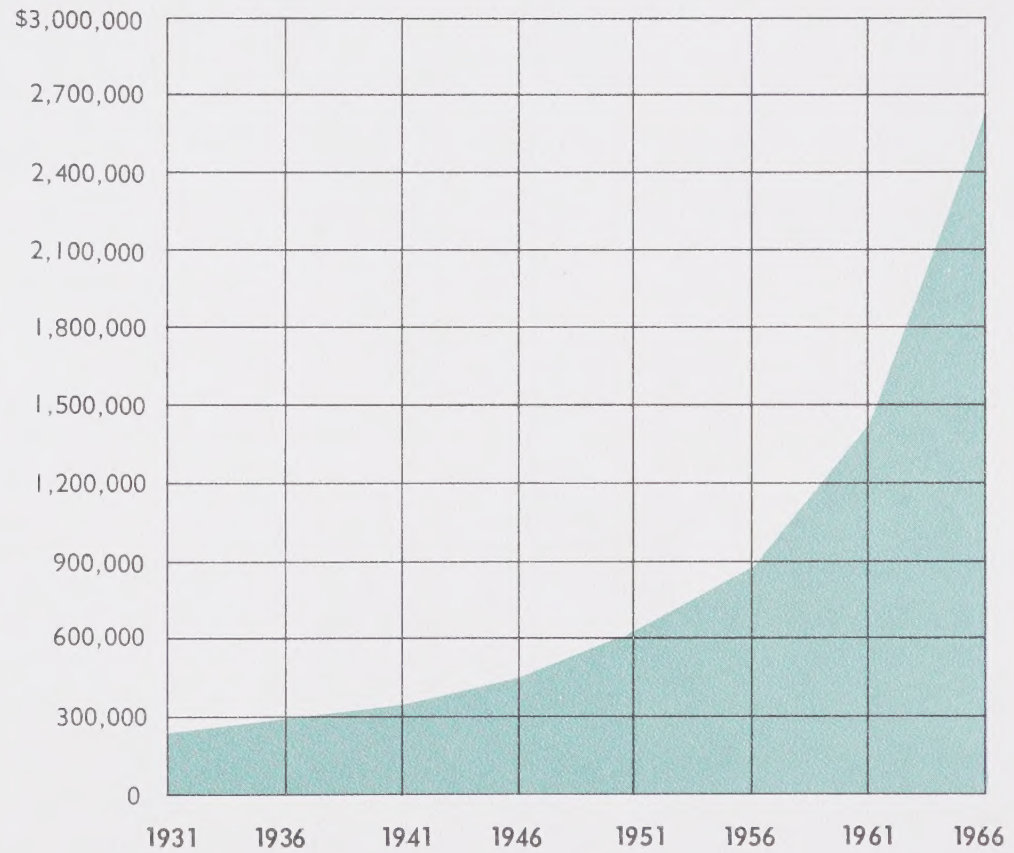


In the last 35 years the Company's assets have increased by over \$41,000,000



# F G R O W T H

## R E S E R V E S



In the last 35 years the Company's reserves have increased by over \$2,300,000



**SAVINGS ACCOUNTS . . .** 4% per annum calculated on minimum monthly balance.  
Full chequing privileges.

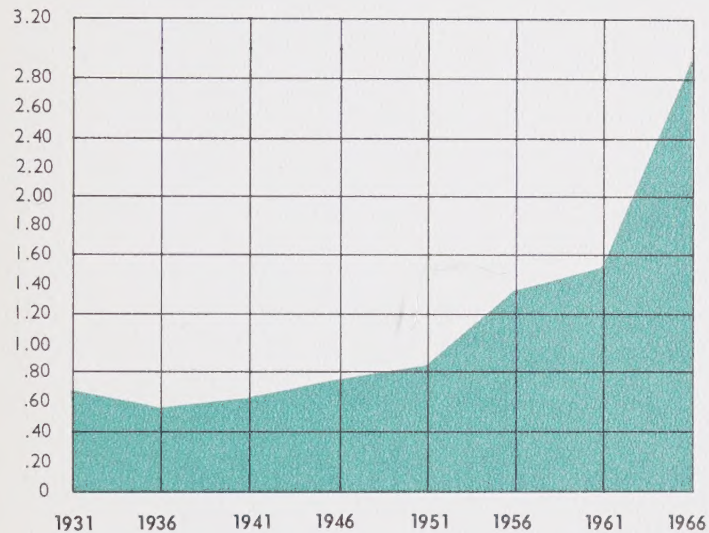
**DEPOSIT ACCOUNTS . . .** 4½% per annum calculated on minimum monthly balance.  
Over-the-counter withdrawals.

**TRUSTEE DEBENTURES . . .** Issued for a one to five year period in bearer or registered form with interest payable by coupon or cheque, or the interest may be left on deposit at debenture rate and received at maturity. Principal and interest payable at par throughout Canada at The Bank of Nova Scotia and The Royal Bank of Canada.

**MORTGAGES . . .** The Nova Scotia Savings & Loan Company was extremely active in the field of residential mortgages during 1966. The Company is pleased to have made the purchase of a home possible to so many people throughout the Maritimes.



## EARNINGS PER SHARE \*



\* 1961 and prior years are based on  
a value of \$10 par for each share.

Shown here is a view of the Cashiers' wickets taken at the time of our official opening — February, 1966.





